Exhibit Name: Premium Calculation

Exhibit Number: P11-7, Plan 51 Record Name: Acreage Record Code: P11

Reinsurance Year: 2012 Version: Approved Release Date: 6/30/2011

51 Fixed Dollar Amount of Insurance Insurance Plan Code

Commodity Code	0045 Chile Peppers							
<u>Calculations</u>	<u>Field</u> <u>Name</u>	Record Number	<u>Field</u> <u>Number</u>	<u>Field</u> <u>Format</u>	<u>Field</u> <u>Rounding</u>	<u>Rules</u>		
Section 1: Liability Calculation								
Dollar Amount of Reference Maximum Dollar Amount * Coverage Level Insurance Percent	Dollar Amount of Insurance	P11	99	99999999.99	Round to whole number	Dollar Amount of Insurance equals Catastrophic Dollar Amount, ADM Price "A00810" when Coverage Type equals Catastrophic, "C". Dollar Amount of Insurance equals Round(Reference Maximum Dollar Amount * Coverage Level Percent, 0) when Coverage Type equals Additional, "A" If Dollar Amount of Insurance > Maximum Dollar Amount, ADM Price "A00810" then Maximum Dollar Amount. If Dollar Amount of Insurance < Minimum Dollar Amount, ADM Price "A00810", then Minimum Dollar Amount, ADM Price "A00810", then Minimum Dollar Amount.		
	Reference Maximum Dollar Amount	ADM		99999.9999	None	Edit With ADM Price, "A00810".		
	Coverage Level Percent	P14	34	9.9999	None			
Acre Guarantee Quantity = Dollar Amount of Insurance	Acre Guarantee Quantity	P11	100	99999999.99	Round to whole number			
Total Guarantee Amount = Acre Guarantee Quantity * Reported Acreage	Total Guarantee Amount	P11	97	99999999.99	Round to whole number			
	Reported Acreage	P11	52	999999.99	None	Reported Acreage must equal the sum of all Land, P27, Reported Acreage.		
Liability Amount = Total Guarantee Amount * Insured Share Percent	Liability Amount	P11	88	999999999	Round to whole number			
Liability Amount – Total Guarantee Amount – insured Share Percent	Insured Share Percent	P11	47	9.999	None			

6/28/2011 Page 1 of 3 Exhibit Name: Premium Calculation

Exhibit Number: P11-7, Plan 51 Record Name: Acreage Record Code: P11 Reinsurance Year: 2012 Version: Approved Release Date: 6/30/2011

<u>Insurance Plan Code</u> 51 Fixed Dollar Amount of Insurance

Commodity Code		0045 Chile Peppers					
		<u>Field</u>	Record	<u>Field</u>	<u>Field</u>	<u>Field</u>	
	Calculations	<u>Name</u>	Number	<u>Number</u>	<u>Format</u>	Rounding	Rules
Section 2: Base Premium Ra	ate Calculation						
Base Premium Rate =	When Rate Method Code equals Fixed Rate, "F":	Base Premium Rate	Internal		999999.99999999	Round to 8 decimals.	
	Sub County Rate * Rate Differential Factor						
	When Rate Method Code equals Additive, "A":	Sub County Rate	ADM		9.9999	None	Edit with ADM Sub County Rate, "A01050".
	(Sub County Rate + Base Rate) * Rate Differential Factor	Sub county Nate	ADIVI		3.3333	None	Edit with Abivi Sub County Nate, A01050 .
base Freimann Nate =	When Rate Method Code equals Multiplicative, "M":	Base Rate	ADM		999.9999	None	Edit with ADM Base Rate, "A01010".
	Sub County Rate * Base Rate * Rate Differential Factor						
	Otherwise: Base Rate * Rate Differential Factor	Rate Differential Factor	ADM		9.9999999	None	Edit with ADM Coverage Level Differential, "A01040".
Section 3: Optional Coverage	ge Calculation						
		Additive Optional Rate Adjustment Factor	Internal		999999.9999	Round to 4 decimals.	
Additive Optional Rate Adjustment Factor	When Rate Method Code is Additive, "A": ∑ Option Rate * Rate Differential Factor	Option Rate	ADM		99999.9999	None	Option Rate will be the Sum of all Option Rate with Rate Method Code equal to Additive, "A". Edit with ADM Option Rate, "A01060".
		Rate Differential Factor	ADM		9.9999999	None	Edit with ADM Coverage Level Differential, "A01040".
Multiplicative Optional Rate Adjustment Factor	When Rate Method Code is Multiplicative. "M":	Multiplicative Optional Rate Adjustment Factor	Internal		999999.9999	Round to 4 decimals.	
	∑ Option Rate1 * Option Rate2 * Option Rate3	Option Rate	ADM		9.9999	None	Edit with ADM Option Rate, "A01060".

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Exhibit Name: Premium Calculation

Exhibit Number: P11-7, Plan 51
Record Name: Acreage

Reinsurance Year: 2012 Version: Approved Release Date: 6/30/2011

Record Code: P11

	Record Code	FII			Release Date	0/30/2011	
Insurance Plan Code		51 Fixed Dollar Amount of Insuran	ce				
Commodity Code		0045 Chile Peppers					
	<u>Calculations</u>	<u>Field</u> <u>Name</u>	Record Number	<u>Field</u> <u>Number</u>	<u>Field</u> <u>Format</u>	<u>Field</u> <u>Rounding</u>	<u>Rules</u>
Section 4: Premium Rate (Calculation						The Premium Rate for ALL Unit Structures should be capped at .999 in the event various adjustments to the Base Premium Rate would cause it to exceed 1.0.
Base Premium Rate * Unit Structure Discount Factor * Premium Rate = Multiplicative Optional Rate Adjustment Factor + Additive Optional Rate Adjustment Factor	Premium Rate	Internal		999999999999999999999999999999999999999	Round to 8 decimals.		
	Unit Structure Discount Factor	ADM		9.999	None	Edit with ADM Unit Discount, "A01090". When Unit Structure Code equals "OU", then Unit Structure Discount Factor equals Optional Unit Discount Factor. When Unit Structure Code equals "BU", then Unit Structure Discount Factor equals Basic Un Discount Factor.	
ection 5: Total Premium	, Subsidy, and Producer Premium Calculation						
Preliminary Tota Premium Amoun		Preliminary Total Premium Amount	Internal		999999999	Round to whole number	
Total Premium Amount = Preliminary Total Premium Amount * Multiple Commodity Adjustment Factor	Total Premium Amount	P11	89	999999999	Round to whole number		
	Multiple Commodity Adjustment Factor	ICE		9999.999	None	Edit with ICE Multiple Cropping, "D00063".	
Subsidy Amount = Total Premium Amount * Subsidy Percent	Subsidy Amount	P11	87	999999999	Round to whole number		
	Subsidy Percent	ADM		9.999	None	Edit with ADM Subsidy Percent, "A00070".	
Producer Premium Amount	= Total Premium Amount - Subsidy Amount	Producer Premium Amount	P11	90	999999999	Round to whole number	

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